(b) Does not arise.

(c) and (d) Cotton imports are under Open General Licence (OGL) with zero import duty. Import is made either under the Advance Licensing Scheme or by 100% EDU's or by textile mills to meet specific quality requirements depending on relative price, and demand and supply position.

Closure of Laxmi Vishnu Mill of Sholapur, Maharashtra

2696. SHRI SATISH PRADHAN: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the Laxmi Vishnu Mill at Sholapur (Maharashtra) will be closed down soon;

(b) if so, the number of workers likely to be disturbed; and

(c) the effort Government propose to take to prevent closure of this mill?

THE MINISTER OF TEXTILES (SHRI R. L. JALAPPA): (a) to (c) The Laxmi Vishnu Mill with 4510 workers at Sholapur (Maharashtra) is registered with the Board for Industrial and Financial Reconstruction (BIFR) as 'Sick'. BIFR has been set up by the Government to enquire into the working of sick industrial companies and to prepare and sanction, as appropriate, schemes for revival of mills. BIFR has recommended winding up of the Laxmi Vishnu Mill to the High Court of Maharashtra.

Export of Cotton Yarn

2697. SHRI SUNDER SINGH BHANDARI: Will the Minister of TEXTILES be pleased to state:

(a) the reasons for not adopting a policy of exporting cotton yarn instead of raw cotton;

(b) whether Goverment are considering exclusion of the export of open-end yarn of counts up to 105 from internal cieling; and

(c) the steps Government intend to deal with the problem of cotton contamination?

THE MINISTER OF TEXTILES (SHRI R. L. JALAPPA): (a) Although the general policy is to promote the exoports of value added items, including cotton yarn, the export of cotton is also allowed in order to protect the interests of cotton growers. Quotas for export of cotton are announced by Government only after considering all relevant factors, including estimates of production, availability, domestic demand, likely surplus, price trends etc. While allowing export of cotton, Government endeavours to balance the interests of the cotton growers, on the one hand, and, on the other, the consuming sectors, particularly the handloom weavers in the decentralised sector.

(b) No, Sir.

(c) The contaminations in Indian cotton is essentially the result of factors related to the treatment of cotton in the ginning factories. The Cotton Corporation of India (CCI) has been encouraging the use of modern ginning & pressing techniques through a price incentive scheme.

Amendment of Textiles (Development and Regulation) order, 1993

2698. SHRI AKHILESH DAS: Will the Minister of TEXTILES be pleased to state:

(a) whether it is fact that the Textile processing industry will now be regulated under the Textile (Development and Regulation) Order, 1993;

(b) if so, the details thereof; and whether Government propose to amend the above order; and

(c) if so, the details in this regard?

THE MINISTER OF TEXTILES (R. L. JALAPPA): (a) to (c) Yes, Sir. With the objective of Maintaining standards of quality, to meet environmental parameters, etc. the

Textile processing activity has been brought within the purview of Textiles (Development and Regulation) Order, 1993.

Anti-Dumping Laws Imposed by European Commission on Indian Textiles

2699. SHRI V. RAJAN CHELLAPPA: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that exports worth more than Rs. 880.00 crore which include exports of unbleached cotton fabric worth Rs. 640.00 crore, bed linen worth Rs. 240.00 crore besides shop towels and gauze cloth are at state due to anti-dumping laws imported by European Commission in respect of exports to European Union countries;

(b) if so, the action taken by Government to protect the interest of Indian exporters;

(c) whether European Commission had fixed any criteria for invoking the anti-dumping laws; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI R. L. JALAPPA): (a) It is true that exports worth Rs. 600 crores of unbleached cotton fabrics may attract anti-dumping duties under the anti-dumping proceedings initiated by the European Commission in respect of exports of this item to the member states of the European Union. The European Commission has also recently initiated anti-dumping proceedings relating to import of cotton type bed-linen into the EU Members from several countries, including India.

(b) The Government through the Embassy of India, Brussels, have been actively pursuing the matter with the concerned authorities in the European Commission., Besides, the Cotton Textiles Export Promotion Council, Mumbai (TEXPROCIL) has been acting as the nodal agency for co-ordinating the efforts of individual exporters in representing their cases.

(c) and (d) The European Commission has initiated the proceedings on the basis of Council Regulation No. 384/96 dated 22.12.1995 which sets out the principles and methods to be adopted for investigating and imposing anti-dumping duties.

Cotton stocks piling up due to Bumper Crop.

2700. SHRI SATISH PRADHAN: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that stocks of cotton are piling up due to bumper crop during the current year and slow release of export quotas and less demand by the textile mills as compared to last year;

(b) if so, the details thereof and the steps taken/proposed to be taken to deal with the problem;

(c) the target set for export of cotton during the current year and the quota released to the State Governments; and

(d) the details of the proposal received from Government of Maharashtra and action taken/proposed to be taken thereon in looms of the New Policy formulated?

THE MINISTER OF TEXTILES (SHRI R. L. JALAPPA): (a) The Cotton Advisory Board in its meeting on 24/2/97 has estimated the current crop size to be 160 lakh bales. Daily arrivals of cotton in the market are heavy. Government released substantial export quotas early in the season and even subsequently, in order that there may not be piling of stocks.

(b) Does not arise.

(c) No target is set by the Government for export of cotton. However, export quotas for cotton are announced by the Government after taking into consideration all relevant factors, including estimates of production, availability, consumption, likely surplus, price trends, etc. No export quota is released to the State Governments.